

Minutes of the Veneta City Council

May 9, 2011

Present: Mayor Sharon Hobart-Hardin, Brittany Boothe, Thomas Cotter, and Sandra Larson

Absent: Marion Esty

Others: Ric Ingham, City Administrator; Shauna Hartz, Finance Director; Zac Moody, Associate Planner; Darci Henneman, Assistant City Recorder; Kathi Jaworski, Gina Haley-Morrell, Robbie McCoy, and Joan Mariner, Fern Ridge Review

Mayor Hobart-Hardin called the Veneta City Council to order at 6:58 p.m.

1. PUBLIC COMMENT

None

2. CONSENT AGENDA

MOTION: Thomas Cotter made a motion to approve the consent agenda as presented. Brittany Boothe seconded the motion.

Vote: Thomas Cotter, aye; Mayor Hobart-Hardin, aye; Sandra Larson, aye; and Brittany Boothe.

The consent agenda as approved included Minutes for April 25, 2011, Accounts Payable through May 3, 2011, the Public Works Activity Report for April 2011, and temporary liquor license for St. Thomas Becket Academy.

In response to a question from Thomas Cotter, Ric said \$1100 was paid to Cawood & Associates to assist with planning the Lane Transit District Park N Ride dedication.

3. DEPARTMENT REPORTS

a. FROM MAYOR/COUNCILORS

b. COUNCIL/COMMITTEE LIAISONS

Sandra Larson said the Fern Ridge School District continues to focus on the bond and levy measures. They renewed their contract for five years with First Student to provide bussing transportation. Many groups and individuals have been working on getting the word out about the bond and levy. There have also been several articles in the Fern Ridge Review and an editorial in the Register Guard recommending voting yes on measure 20-180 and 20-181. The Arbor/Earth Day event at its new location was well organized and eventful but attendance was down. Among other activities volunteers planted trees and picked up garbage with Fern Ridge Community Action Network (CAN) members.

Sharon Hobart-Hardin attended the last LCOG board meeting which focused on Senior Services and the impact losing state and federal funds will have on the program specifically to disabled and elderly folks in our community. The funds raised by the 2011 Elmira High School Mr. Falcon pageant were donated to the Mid-Lane Community Partnerships which was mentioned in LCOG's oral report. She also said the Arbor/Earth Day event was very successful. Various Council liaison appointments were made in February. At that time Mayor Hobart-Hardin was appointed liaison to the Lane Area Commission on Transportation (LACT). In speaking to Thomas Cotter he showed an interest in filling that role. Mayor Hobart-Hardin would like to step down from that liaison position and is in favor of Thomas Cotter being the LACT liaison.

It was the consensus of the Council that Thomas Cotter will be the Veneta Lane Area Commission on Transportation (LACT) representative in June. Ric is the alternate.

4. STAFF REPORTS

a. CITY ADMINISTRATOR.....RIC INGHAM

(1) Wineries without Walls Report & Request

Gina Haley-Morrell, President of the Fern Ridge Chamber of Commerce (Chamber), introduced Ms. Jaworski to the Council.

Kathi Jaworski of Write to Know presented her analysis of the Wineries without Walls project to the Council. The Chamber contracted with Ms. Jaworski to provide assistance with an economic development project Wineries without Walls which would be a wine tasting facility set up in the Chamber office to increase the visibility of local wineries that don't have tasting rooms or other visitor facilities. On March 30, 2011 Ms. Jaworski prepared the Preliminary Feasibility Assessment (PFA) which was included in tonight's packet. Ms. Jaworski briefly reviewed the PFA and recommended the project move forward as a pilot program with a timeline of September 30th to complete the following: Develop an action plan of volunteers, tracking and developing the market strategies, physical improvements to the Chamber offices, signage, licensing, develop and finalize a budget based on two seasons, and formalize agreements with vendors and wineries at a total cost of \$9,000.

Based on her findings, Ms. Jaworski recommended opening part time on a seasonal basis May through October. The tastings would be hosted by the wineries twice a week to start. Non perishable products from local businesses, farmers market, and hard to find local wines would be made available for purchase. Winery tours would not be provided but touring information would be. In order to move forward with the project the Chamber is requesting funds to support the next steps of the project and outlined what additional costs associated with the continuation of the project would be.

Ric provided out outline of how Wineries without Walls could be funded and how the City would partner with the Chamber.

In response to a question from Mayor Hobart-Hardin, Ms. Haley-Morrell is not sure how the new owners of the West Lane Shopping Center would feel about improvements to the chamber office, however, there will be no structural changes to the building that would require a building permit.

Ms. Jaworski said an off-premises sales license is recommended so a designated tasting space is not needed.

Ric said the Chamber conference room and adjacent office will be joined to make a large tasting area. The visitor's center will remain open for its normal hours and can accommodate a small retail space.

Travel Lane County will assist with marketing and updating the touring map as part of their mission. They will also advertise what wines will be showcased and when. The wineries will provide their own wine servers for the tastings to ensure the servers are familiar with the product they are serving.

In response to questions from Mayor Hobart-Hardin, Ms. Haley-Morrell said there will be recruitment for volunteer servers and three Chamber board members are interested in volunteering.

In response to a question from Mayor Hobart-Hardin, Ms. Jaworski did not speak with the Florence Chamber of Commerce but she will follow up to see if they would be interested in partnering with the project in some way.

In response to a question from Sandra Larson, Ms. Jaworski said the wineries will contribute their own wine for the tastings and will pay a portion of the marketing costs. The cost allocations will be reevaluated for the second year.

In response to a question from Sandra Larson, Ric said there is an advertising budget for the wineries but it's somewhat complicated. The Wineries will participate in the advertising but the Chamber would like to start off with some kind of monthly calendar or schedule. As far as economic development the Chamber believes we are at the infancy of the Southern Willamette Valley wine industry really taking off. There are 18 wineries along Territorial Highway and it's possible for Veneta to be perceived as the crossroad for those wineries.

Ric said it's difficult for the wineries to come together. They have their own brand and their own image. We need to prove that bringing them all together to sell their wines is a good value and that the City is supporting the project.

In response to a question from Brittany Boothe, Ms. Jaworski said all of the wineries were very excited about getting the project off the ground. She felt it would be more important to get the wineries interested in the project rather than trying to get them to become Chamber members. She suggested getting the project off the ground by moving to the next phase. When the time comes, maybe the wineries will be asked to take on another role. The Chamber board discussed requiring the wineries to become Chamber members and decided it was more important to get as many wineries involved as possible.

In response to questions from Brittany Boothe, Ric said this project was initiated in October and a lot of information was provided at the time. The Chamber has the biggest stake as we try to create a business model of long-term viability. The \$9,000 will cover Ms. Jaworski's fees to create the business plan and to get the project to an operational phase. The City budget has always had a line item labeled Commercial loan to assist viable businesses in our community with economic development which has always been important to the City. Since 2004, very few opportunities have come along and wineries and agri-tourism are currently in the forefront of those opportunities. We've not had a viable business approach the City and ask us to try to draw on those funds.

In response to a question from Brittany Boothe, Thomas Cotter said the closest the City ever came to disbursing some of those funds was with rehabilitation loans through the Housing & Urban Development (HUD) several years ago.

Brittany Boothe expressed concern that the Chamber members should know about the project prior to the City making the \$4,000 grant and the \$5,000 loan. She also felt there is a minimal risk for the wineries because they're basically outsourcing their wine and don't have to build their own tasting rooms.

In response to a question from Thomas Cotter, Ms. Haley-Morrell said Chamber membership supports their current lease which expires in December, 2011. An upcoming Chamber luncheon will provide a detailed presentation on the Wineries without Walls project to provide members information about the project but the Board wanted to have the funding in place prior to that presentation.

In response to a question from Thomas Cotter, Ms. Jaworski said the OLCC on premises permit requires the wineries to provide their own servers as well as their own glasses and be responsible for washing them. The Chamber will not need any kind of dish cleaning facilities.

Thomas Cotter felt the project should have approval from the Chamber members before the City commits to the funding. He suggested the Council approve the funding but with the majority of members supporting the project.

Ms. Haley-Morrell she has received no input from any members positive or negative about the project which has been advertised in the Fern Ridge Review and brought before the City Council at the last two meetings.

Robbie McCoy, Chamber board member, said the Chamber would like to provide the information to the members and explain what the project's next step is but they can't get there until the funding is secured.

Thomas Cotter suggested the Council make a motion with the contingency that if the Chamber doesn't have favorable membership support then the City doesn't get involved.

In response to a question from Thomas Cotter, Ms. Haley-Morrell said the Chamber's lease expires in December, 2011. She's been somewhat hesitant to talk about the project because of prior Chamber activity where in past years members were promised things that didn't happen. She would like to have the funding in place before she brings the project to the members.

Ric suggested holding a Council work session prior to the May 23rd Council meeting.

In response to a question from Mayor Hobart-Hardin, Ms. Haley-Morrell said putting the funding decision off until the May 23rd Council meeting would push the project back about a month.

Sandra Larson said it would be unfortunate to postpone the project and felt the Council should do something. She would be comfortable with a revision of the project timeline to provide project information to the Chamber members.

MOTION: Mayor Hobart-Hardin made a motion to propose the \$4,000 grant and the \$5,000 loan for the Wineries without Walls project contingent on a consensus of the Chamber members to move forward with the project.

Sandra Larson suggested leaving out the contingency that Chamber members are in favor of the project but that the motion is contingent on the Chamber membership being informed about the project.

MOTION: Mayor Hobart-Hardin withdrew her motion.

MOTION: Mayor Hobart-Hardin made a motion to propose the \$4,000 grant and the \$5,000 loan for the Wineries without Walls project contingent on the Chamber Board inform the members about the project. Sandra Larson seconded the motion.

Tom Cotter said he doesn't oppose funding the project but is concerned there aren't enough informed people to make this viable. He felt the Chamber members should know what the Chamber board is working on before the City is asked to fund the project.

MOTION: Vote 3 in favor.

Brittany Boothe agreed and felt more information would be helpful to her. She didn't see her questions as a lack of support for the Chamber and if the Council is going to be in support of the Chamber, she would also hope that Chamber members are in support of the idea. If she were a member it would put her off to read about it in the newspaper. She is also concerned there is a potential for the Chamber to have difficulty making their lease payment.

MOTION: Vote 1 opposed. Brittany Boothe voted no.

Ms. Haley-Morrell said the Wineries without Walls project has been featured in the Fern Ridge Review and has also come before the City Council twice and at this stage she hasn't received any responses from Chamber members positive or negative.

(2) 2-1-1 Quarterly Report

Sharon felt this usage information for this service was very informative. This is a worthwhile service and she is very glad the City is participating in this program.

Ric said the City's annual membership is \$425. The front desk directs many calls to the 211 service and recently has seen a decrease in information calls. It seems to be a very effective way to provide residents with the information they need.

Sandra Larson said it was interesting that housing and shelter was the category most searched and that survey results indicated 67% of those surveyed said 211 funds were gone or services were full when they contacted 211.

b. SHAUNA HARTZ.....FINANCE DIRECTOR

(1) Third Quarter Financials

Shauna provided the third quarter (July 1 through March 31) preliminary year-to-date financial report for FY 2010-11. At this point in the year we would expect to see a lot of the operating costs and routine revenue at about 75%. Expenditures actually should be less than 75% and revenue should be larger than 75% and for the most part that holds true but there are a few exceptions and she will keep an eye on those. Over the next two meetings she will present appropriation transfer resolutions and possibly a supplemental budget. A few transfers made in May were not noted in the report.

In response to a question from Mayor Hobart-Hardin, Shauna said the significant reduction of the ending fund balance in the Parks and Recreation fund was attributed primarily to the pool. Materials and Services in the Planning Fund are at 22% which could be attributed to consulting projects that were budgeted but not done. Review of the Comprehensive Plan was budgeted at \$25,000 but it hasn't been initiated yet.

5. OTHER

Ric said Brian Issa will be working away from City Hall from June 23rd to August 23rd. His wife has an opportunity to move to the east coast and he will take a leave of absence. He will still be the lead for the water pipeline project and will be working electronically for about 60 days.


Brittany Boothe thanked Ric for the budget information.

6. ADJOURN

Mayor Hobart-Hardin adjourned the Veneta City Council at 8:46 p.m.


Sharon Hobart-Hardin, Mayor

ATTEST:


Darci Henneman, Assistant City Recorder
(minutes prepared by Dhenneman)